

This record is a partial extract of the original cable. The full text of the original cable is not available.

S E C R E T SECTION 01 OF 03 YEREVAN 002883

SIPDIS

DEPT FOR EUR/CACEN; PM FOR ABREITER  
SECDEF FOR PWATSON

E.O. 12958: DECL: 12/02/2013

TAGS: [AJ](#) [AM](#) [GG](#) [MARR](#) [PARM](#) [PGOV](#) [PREL](#) [PTER](#) [TU](#)

SUBJECT: SEVENTH ANNUAL STRATEGIC DIALOGUE HELD IN YEREVAN

Classified By: Ambassador John Ordway

11. (U) Classified by Ambassador John Ordway for reasons 1.4 (b&d).

12. (C) Summary. The seventh US-Armenian Strategic Dialogue took place in Yerevan November 20. The sides discussed regional security, defense cooperation, and cooperation on counter-terrorism. The delegation heads, EUR DAS Lynn Pascoe and Deputy Foreign Minister Tatul Margarian t examined issues of regional concern and identified future areas of cooperation. Though the Ministry of Defense registered reservations regarding a defense assessment and the deployment of additional forces to Iraq, the meeting was generally upbeat and positively assessed US-Armenian cooperation to date. End summary.

-----  
1I. Regional Security Issues  
-----

-----  
Turkey: "Incremental" Progress towards Normalization  
-----

13. (C) Karen Mirzoyan, Head of the MFA's Middle East Department, stated that relations with Turkey remained the most important issue in Armenia,s foreign policy. He confirmed that recurring contact between the GOAM and GOT had taken place at the ministerial level. Mirzoyan also reported some progress in efforts to open the border between the two countries, as the GOT had seemingly relaxed its stand on pre-conditions to opening the border. The GOAM supported incremental steps towards reconciliation even before establishment of diplomatic relations. This policy included a recent proposal by Foreign Minister Oskanian that the GOAM and GOT formally announce an open border for diplomatic passport holders and third country nationals, and would also entail greater contact between Armenian and Turkish businessmen. Deputy Foreign Minister Tatul Margarian said that economic relations with Turkey were of increasing importance, considering the continued instability in Georgia, Armenia,s prime commercial conduit. DAS Pascoe stated that the senior GOT leadership had recently indicated that their policy towards Armenia did not make practical sense. He encouraged the GOAM to engage in active public relations measures to undermine falsehoods in the Armenian public,s perceptions about Turks and Turkey.

-----  
Iran: A Strategic Partner By Default?  
-----

14. (C) Mirzoyan, who is also responsible for Iran, stated that due in large part to Armenia's political and economic isolation, Iran remained an important strategic partner. He said that Armenia had three aims in its policy with Iran: a strategic partnership that sought to balance the influence of Turkey in the region; energy partnerships that would lessen Armenia,s dependence on other suppliers; and trade and transportation ties that help to relieve the effects of the closed borders with Azerbaijan and Turkey. Pascoe reiterated US concerns over Iran,s WMD programs, human rights abuses and support for terrorist groups.

-----  
Georgia: Stability Vital, But Lacking  
-----

15. (C) Margarian joked that at times it seemed the GOAM was more interested in stability in Georgia than within its own borders. He expressed concern that continued disturbances in Georgia after the recent parliamentary elections could have a large impact on Armenia,s continued economic growth. The GOAM was particularly worried about the deteriorating situation in Ajaria, a transit area for part of Armenia,s trade with Europe and Russia (note. Most trade moves through Poti rather than Batumi. End note.). Margarian speculated that it was perhaps time for change in Georgia, but stated that the GOAM is prepared to work with whomever is in power in Tblisi (though they feared an increased role for Ajarian leader Aslan Abashidze). Pascoe agreed that the situation in

Ajaria was troubling, with Abashidze apparently making a play for increased political power, and urged the GOAM to take any steps it could to calm the situation. (Note. The meetings were held in the week prior to Shevardnadze's resignation on November 23. End note.).

-----  
Azerbaijan: "Relations Close to Zero"  
-----

16. (C) Margarian acknowledged that in the past year, "relations with Azerbaijan were close to zero." He said that the GOAM was waiting to see if newly elected Azeri President Aliyev would take any initiative to resolve the Karabakh conflict, and that Armenia was prepared to restart negotiations if Aliyev desired. Pascoe expressed optimism that Aliyev would want to move forward in relations with Armenia, but both sides had to take substantive steps to prepare their respective publics for inevitable compromises and concessions.

-----  
Iraq: No Decision on Additional Deployments  
-----

17. (S) Margarian expressed hope that the situation in Iraq in Iraq would soon stabilize and a thorough re-building process could get underway. He noted that Armenia had a particular interest in a secure environment in Iraq, considering the long-term effects for regional stability and the difficulties faced by ethnic Armenians in the country. The GOAM was concerned that the lack of adequate medical facilities and schools in Iraq would lead to the emigration of the Armenian population. Margarian confirmed the GOAM's desire to contribute to stability operations in Iraq, stating, "it is our duty to participate in this mission." He indicated that Armenia and Kuwait would soon conclude a SOFA agreement, initiated after Armenia volunteered to deploy medical and demining units to Iraq. Pascoe raised the issue of the recent request by the United States for Armenian deployment of 50 military cargo trucks and ten tractors for combat support operations. Margarian acknowledged receipt of the request, and stated that he wished it had been made earlier. The GOAM hoped to have an answer to the United States soon.

-----  
II. Defense Cooperation  
-----

-----  
Current Cooperation  
-----

18. (C) Major-General Mikhail Melkonian, Head of the Foreign Liaison Department at the Ministry of Defense, provided an overview of two years of U.S.-Armenian military cooperation. Melkonian stated his belief that the previous day's meeting between Deputy EUCOM commander General Charles Wald had "strengthened and crystallized the relationship." Melkonian identified four main areas of cooperation: U.S. assistance in military communication upgrades; U.S.-supported military education programs; the Humanitarian Demining Program; and the State Partnership Program initiated with the Kansas National Guard. Melkonian welcomed Armenia's recent signature of the NATO PfP SOFA, though he blamed the delay in the signing of the document on NATO. He further pressed the United States to agree to the Acquisition and Cross-Servicing Agreement. According to Melkonian, the two agreements "provided full legal basis for our cooperation." Pascoe reiterated that the US valued its partnership with Armenia, though the partnership had not developed as quickly as the United States had hoped. Pascoe stressed the need to speed progress, but "at a pace that is comfortable to you."

-----  
Broadening Cooperation: Defense Assessment, Art. 98, Iraq  
-----

19. (C) Pascoe raised US priorities for future defense cooperation. He stressed the prime importance of Armenia allowing a defense assessment by the United States. Pascoe explained that the assessment would be of use to justify FMF funding requests to Congress, and assist the Armenian Armed Forces in identifying areas in which their forces could be reformed and made more efficient. Melkonian raised strong objections to an assessment, questioning its necessity as the United States was "fully familiar" with the Armenian defense structure. Melkonian asserted that defense reform could not even be considered until settlement of the Nagorno-Karabakh dispute, and that the current priority was maintaining existing forces. Pascoe responded by reiterating that an assessment was not "an intelligence issue," and that if Armenia was concerned over the intrusiveness of the action, than third parties could be found and involved.

10. (C) Melkonian praised ongoing U.S.-Armenian military education and exchange programs but added that he would welcome greater coordination in order to ensure that courses met the needs of the Armenian military. He requested that Armenia be allowed to use some of its IMET funding to improve

military education institutions in Armenia.

11. (C) Joan Corbett, Special Advisor to Under Secretary Bolton, stressed the importance of quickly concluding an Article 98 agreement. She stated that the agreements could take many forms, and were being sought with all countries. Corbett acknowledged that while Armenia is not yet party to the Rome Statute, conclusion of an Article 98 agreement with the United States would serve to broaden defense cooperation.

12. (S) While discussing the future of US-Armenian defense cooperation, General Melkonian stated that he doubted Armenia could meet the U.S. request for additional combat support service deployment to Iraq. He said that it would be "difficult at this time" to provide the number of trucks requested by the United States.

-----  
Future of Demining Program  
-----

13. (C) Ambassador Ordway expressed his hope that the GOAM will focus attention on developing a "superstructure" for the Humanitarian Demining Program. He identified three necessary developments for the program: the need to do a thorough mine survey in Armenia; the realization of civilian control of the program through the National Demining Action Committee; and, the creation of an effective marketing campaign to sell the program to the international donor community. The Ambassador urged the GOAM to move forward on these issues in the following year, and not solely focus their demining efforts on continued training.

----- -  
III. Cooperation on Counter-Terrorism Issues  
----- -

-----  
Counter- Terrorism, Non-Proliferation, and Export Control  
-----

14. (C) Tigran Agajarian, Head of the Counterintelligence Division at the National Security Service, presented Armenia's counter-terrorism and non-proliferation efforts. He encouraged increased cooperation between the USG and GOAM in sharing intelligence about terrorist activities. He noted that the National Assembly had recently passed a bill establishing export controls for dual use goods, and requested U.S. assistance in training Armenian experts in this area.

-----  
Comment  
-----

15. (S) Though the delegations were in general agreement on the issues discussed, some fissures were evident, including on the Armenian side. The Ministry of Defense and Ministry of Foreign Affairs appear to be at odds over the recent U.S. request for additional combat support forces to be deployed to Iraq. While Deputy Foreign Minister Margarian promised an answer to the request quickly and hoped for a "positive response," the MOD representative dismissed the request as unfeasible at this time. The MOD also seems strongly against any defense assessment undertaken by the United States, and denied that any reform of the military was necessary at this time.

ORDWAY  
ORDWAY